

House Bill 446

By: Representatives Royal of the 171st and Floyd of the 147th

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales and use tax reporting of sales and deductibility of bad debts, so as to change provisions relating to deductions of bad debts by persons reporting on an accrual basis; to authorize refunds as well as deductions; to provide for claims to be filed by certain affiliated groups; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales and use tax reporting of sales and deductibility of bad debts, is amended by revising subsection (c) as follows:

"(c) Any person reporting on the accrual basis of accounting shall be allowed a deduction or refund for bad debts under rules and regulations of the commissioner on the same basis that bad debts are allowed as a deduction on state income tax returns. In the case of an assignee of credit card debt purchased directly from a dealer without recourse, the assignee reporting on the accrual basis of accounting or a credit card bank which extends such credit to customers under a private label credit card program shall be allowed a deduction or refund for bad credit card debts under rules and regulations of the commissioner on the same basis that bad credit card debts are allowed as a deduction on state income tax returns. An assignee of credit card debt or a credit card bank which extends credit may have its deduction or refund for bad debts claimed on a return filed by a member of an affiliated group as defined under 26 U.S.C. Section 1504."

SECTION 2.

All laws and parts of laws in conflict with this Act are repealed.